

**FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY (CRA)
CITY COMMISSION CONFERENCE ROOM
FEBRUARY 13, 2001**

Mayor Naugle called the meeting to order at 4:10 P.M. Roll was called, and a quorum was present.

Present: Mayor Naugle
Commissioner Cindi Hutchinson (4:35)
Commissioner Gloria F. Katz
Commissioner Carlton Moore
Commissioner Tim Smith

Absent: None

Also Present: Assistant City Manager
City Attorney
City Clerk

1. Status Report on I-95/Konover

Mr. Pete Witschen, Assistant City Manager, introduced Mr. Phil Bacon, Redevelopment Project Manager to make the presentation. He noted that the City Commission had coincidentally received the preliminary RFP for review, although no action was requested in that regard today. Mayor Naugle asked if the CRA Advisory Board had received copies, and Mr. Witschen replied that its members would also receive the drafted RFP today.

Mr. Bacon presented a progress report since the October 31, 2000 CRA meeting. At the time, staff recommended the proposed release of an RFP for the 18-acre site, including the Konover property, Lakeview Garden Apartments, and the Jamaican Domino Club. At that time, an interest was expressed in expanding the scope of the RFP to include some 50 acres adjacent to the original 18 acres. Therefore, the scope of the RFP proposed for release on February 19, 2001, would include the TriRail Station, and the FDOT parking lots south of the Broward Boulevard and north of the Juvenile Detention Facility as well.

Mr. Bacon stated that the goal of the RFP was a master development plan for over 50 acres, and a first phase development of approximately 18 acres was the minimum requirement. He advised that the time table was governed by Florida Statute 163.38, and that allowed 30 days for responses to the RFP. Mr. Bacon said that staff had spoken with a number of interested parties, and some 1,500 national and local brokers were being contacted. In addition, an ad would appear in tomorrow's "Wall Street Journal" about the RFP.

Mayor Naugle asked if the RFP had been composed in such a way that someone could respond to the RFP without including all of the parcels. Mr. Bacon replied that the RFP called for a master development plan for the 50 acres, with proposals on the first 18 acres at a minimum as a first phase. He explained that the intent was to gain a master vision while ensuring some movement at the site very soon. Commissioner Smith understood the RFP called for a 50-acre plan that would stand alone on 18 acres. Mr. Witschen said that the master development would address the entire 50 acres beginning with the first 18 acres and, as the other sites became available, they would be delivered for development with the understanding that there were no guarantees.

Mayor Naugle referred to the Housing Authority property. He noted that the appraised value had been listed, but the Housing Authority had not agreed to sell it for that price. Mr. Bacon explained that staff had wanted to include as much information as was available now, and negotiations with the Housing Authority had not been entered into yet. He felt it would be a good idea to begin those negotiations to get an understanding, if not an option on the property, so the developer would have some idea of the price. Mayor Naugle suggested an asterisk note in the RFP to make that clear. Mr. Bacon agreed that could be done. He noted that a matrix of information had been provided in the RFP with the known information about all the parcels involved.

Commissioner Smith understood proposers would be required to develop the first phase even if nothing else came afterwards. Mr. Bacon agreed that was correct. Commissioner Smith asked if there was a deposit to guarantee construction of the first phase. Mr. Bacon stated that the deposit was a bid deposit and, after a selection had been made, the other bidders would get their deposits refunded.

Commissioner Smith inquired about the ownership of the lake. Mr. Bacon replied that it was County-owned. Commissioner Smith asked if there were any restrictions or if the bidders could plan on using the water. Mr. Bacon said that staff had talked with County representatives about this, and the lake was actually part of the park. However, the County was not opposed to removal of the fence at the rear of the property.

Commissioner Katz asked if there were any developers on the CRA Advisory Board. There were. Commissioner Katz wondered how they felt about some of the parcels not being guaranteed available. *Mr. Stan Brown*, CRA Advisory Board member, explained that the Board had seen no more than the Commission had seen today. *Mr. Kevin Buckley*, Board member, assumed that if someone responded with a proposal for only a portion of the area, it could be accepted. Mr. Bacon replied that such a proposal could be accepted if there was not a better offer, but the intent of the RFP was a master development plan for the 50 acres, with development proposals for at least 18 acres.

Mr. David Damerau, Board member, pointed out that if the properties beyond the 18 acres were not committed, it could be rather expensive to develop a master plan for the whole site, which might never be constructed. Mayor Naugle felt the RFP should be flexible enough to allow for a portion or all of it. Mr. Brown noted that this was probably the most valuable piece of property between Miami and West Palm Beach. He believed it was a key piece of Fort Lauderdale's future, which should be kept in mind.

Mr. Bacon noted that a measure of objectivity could be maintained in evaluating responses to the RFP. However, it had always been understood that the City did not want the Konover property "chunked out." Mayor Naugle recalled that the Commission had decided to maintain flexibility so the proposals would not have to include all the parcels. Mr. Witschen explained that the RFP had been crafted so there was no inducement to only address the easiest parcel, but there was a high degree of flexibility.

Commissioner Katz did not want to make this so difficult that a developer won't be interested in submitting proposals. Mr. Damerau stated that a developer would look at 18 acres differently than the entire 50 acres, unless they knew that the other properties would be available within a specified time period. He thought some time limit for that process should be included. Mr. Buckley did not think anyone would bid on the entire 50 acres if he only had interest in the first 18 acres. Mr. Brown noted that there would also be a period of negotiation after proposals were submitted, and there were inducements that would allow a lot of room for movement.

Mayor Naugle asked if negotiations could be entered with 2 bidders, for example, in order to combine ideas. The City Attorney believed the RFP could certainly be structured in that fashion. Mayor Naugle wanted to ensure there was sufficient flexibility. Commissioner Smith said if he was a developer from New York, for example, he would not be certain he was being encouraged to provide an 18-acre use. He was concerned the RFP language would preclude it. Commissioner Smith thought the RFP should say that the City wanted a master plan for 50 acres but, if at least 18 acres were addressed, proposals would be accepted. Mr. Witschen believed the RFP read in that fashion in order to provide maximum flexibility.

Commissioner Katz asked if the CRA Advisory Board would have an opportunity to examine the language of the RFP in greater detail. Mr. Witschen believed so as it was scheduled for release on February 19, 2001. Mayor Naugle noted that the Commission would be meeting on February 20, 2001. He suggested that the item be placed on the Conference agenda for that date, with the release date rescheduled to February 21, 2001. It was agreed.

At 4:35 P.M., Commissioner Hutchinson arrived at the meeting.

Commissioner Moore inquired about the individuals with whom there had already been some discussion and expressions of interest. Mr. Bacon said that staff had spoken with developers who specialized in retail and commercial office development. He stated that there had been discussions with developers from across the board about different uses at the subject site. Commissioner Moore asked if they had been interested in 18 acres or more. Mr. Bacon had the sense that the developers were thinking about the 50 acres, but building in 18 acres.

Commissioner Moore asked if any interest had been expressed in an amusement or an educational concept. Mr. Bacon replied that several entities seemed interested in an educational concept, and one company had expressed an interest in an entertainment complex on 18 acres plus parking for a total of 26 acres.

Commissioner Moore wondered if anyone had discussed a use that would take the land off the tax rolls. Mr. Bacon replied that staff had spoken primarily with developers, although there might be some educational uses. Commissioner Moore felt the RFP should make it very clear that the City was not interested in uses that would take it off the tax rolls. He pointed out that this would be an increment property within the CRA boundaries. Mr. Bacon stated that two of the redevelopment goals involved returning value to the City and show a positive tax increment. He advised those goals had been used to establish the evaluation criteria. Commissioner Moore just wanted to make sure everyone understood it would make no sense to consider development that would take it off the tax rolls. Mr. Bacon explained that any such proposal would be scored very poorly based upon the evaluation criteria. The City Attorney said he would ensure the documents indicated the developer would be paying taxes or payments in lieu of taxes.

Commissioner Moore asked if the Housing Authority had indicated any price for the Housing Authority property. Mr. Bacon stated that 3 appraisals had been performed, and the highest had been \$3.3 million.

Commissioner Moore felt that if the highest and best use of this property were to be realized, the water offered opportunities. He asked if access to the water was assured. Mr. Bacon said the details had not been worked, but there was a general understanding that the County was willing to cooperate to the greatest extent possible. He believed it would be an available amenity.

Commissioner Moore asked Mr. Bacon if he was aware of a study performed by a Jacksonville consultant for the County with regard to this property. Mr. Bacon said he could distribute copies of the study to the Commission. He advised that he had examined it briefly, and it had discussed the idea of targeting the entire area, inclusive of Sweeting Estates, for some commercial use. Ms. Kim Jackson, CRA Manager, stated that the study involved some type of African-American entertainment center on the Sweeting Estates property. Commissioner Moore inquired about the existing Juvenile Detention Center and the FDOT facility. Mr. Bacon believed those areas were included in the entertainment use.

Commissioner Smith was not sure what an African-American entertainment center was, and Commissioner Moore was curious, too. Ms. Jackson said there had been a very abbreviated project description on all the project areas. Commissioner Moore wondered if the consultant had approached City staff about the proposed reuse of this land. Mr. Bacon replied he had not. He had been retained by the County to do the study, and the consultant had agreed to provide the City with a copy of the results. Commissioner Moore wondered if it was typical for a consultant to work within a municipal boundary and make a proposal without working with the municipality.

Commissioner Moore stated that the consultant had not consulted with the community or the City, but a recommendation had been provided to the County resulting in a lot of unnecessary concerns. He advised that he had received a lot of phone calls from people who were concerned. Mayor Naugle had received calls about the Domino Club. Commissioner Moore understood people were talking about the consultant's recommendations as a "done deal," yet the City had no input. Mr. Bacon agreed to distribute copies of the consultant's report to the Commission.

Commissioner Moore was concerned that potential developers might be concerned that their concepts would not be given serious consideration because of this report. He asked if some kind of disclaimer could be included in the RFP to mitigate any such concerns. Mr. Bacon thought doing so would lend credibility to the study.

Mr. Brown referred to the earlier discussion referred to payments in lieu of taxes. He thought that might raise some question about the tax increment financing. Mr. Brown felt stronger language should be included in the RFP indicating that the property would not be exempt from property taxes for that reason. Mayor Naugle thought the payments in lieu of taxes could be bonded.

Mr. Bacon wondered what would happen if a developer built \$100 million worth of improvements, hypothetically, but the DDA occupied a large portion of the space. Commissioner Moore had no problem with that as long as the DDA was paying taxes on the space or the projected income. Commissioner Smith wondered if the Commission would be willing to consider some small portion of the property to be tax increment. Commissioner Moore was not willing to consider it at this time.

2. CRA Budget Revision

Mr. Witschen explained that this involved allocation of funds from "undesignated" into PED080102-3199 and PED080102-6413 as detailed in the back-up memorandum. Commissioner Moore inquired about costs for professional services related to the Konover site. Ms. Jackson explained that there was a \$7,000 outstanding balance for that, which was not included in this item. This item pertained to more funds to continue and maintain those consultants. Mayor Naugle asked who would receive the \$7,000, and Ms. Jackson replied that it was payable to Larry Abrahamsen, the real estate specialist.

Commissioner Moore said his concern was the amount of money being transferred for professional services. Ms. Jackson advised it was part of the \$75,000, and an exact dollar amount was not being specified at this time. She explained the original intent had been to use approximately \$25,000 for consulting in 2 or 3 different categories. Ms. Jackson stated that it would be up to the City Manager or the CRA Director to divide the amount. Mr. Witschen explained that the amount necessary would depend upon the complexity of the responses received to the RFP. He said that staff was estimating a cost of \$25,000 for each of 3 tasks.

Commissioner Moore asked if the study for the additional residential units could even be considered when the Regional Activity Center (RAC) was larger than the CRA. Ms. Jackson stated that only the portion within the geographic boundary of the CRA could be considered, but the DDA had agreed to financially support any future studies up to the boundary at 6th Street.

Motion made by Commissioner Moore and seconded by Commissioner Hutchinson to approve the allocation of funds into PED080102-3199 and PED080102-6513. Roll call showed: YEAS: Commissioners Katz, Smith, Moore, Hutchinson, and Mayor Naugle. NAYS: none.

Commissioner Moore understood the \$100,000 just approved included some very nice furniture. Ms. Jackson provided a fee breakdown on the furniture. Commissioner Moore hoped there was a sufficient amount of money left over for the professional services. He had heard rumors about the amount of property purchased, and he wondered if the amount just allocated was sufficient for consulting services to assemble properties. Ms. Jackson believed that clearing titles would involve the greatest expense, and she expected additional funds would be necessary as soon as the end of March. Commissioner Moore suggested allocation of those monies now to avoid any further delays.

Commissioner Smith asked if difficulties were being experienced clearing titles. Ms. Jackson stated replied that the titles currently in question did not relate to CRA parcels, so she could not address that issue. Ms. Faye Outlaw, Assistant Director of Community Development, stated that discussions on this issue had only been held on the staff level, and nothing had gone to the City Attorney's Office yet. When the process reached that point, staff would consider whether or not outside services would be necessary for the title work. Mayor Naugle asked if that could be done by the March meeting. Ms. Outlaw believed so.

Commissioner Moore felt staff had the ability, but he did not have faith that so much work could be done quickly enough. He preferred to appropriate another \$25,000 now in order to avoid any delays because there was someone assembling properties in the quadrant now, which caused him concern. There were also certain properties that had a very negative impact on the community. Ms. Outlaw noted that her involvement thus far had involved the acquisition of vacant lots, and those were the properties with the title issues. Commissioner Moore was concerned about both vacant lots and those with buildings.

Commissioner Smith understood that when title and other legal issues arose, the City Attorney's Office was brought into the process. Ms. Outlaw explained that title issues were not unusual. She stated that properties had been purchased without clear title and then those matters were addressed after-the-fact. Mayor Naugle did not believe the City Attorney's Office had allowed the purchase of any properties without clear title.

The City Attorney believed Ms. Outlaw was referring to properties involving tax certificates, and the real estate office acquired such properties with no involvement from his staff in order to gain control of the property. Mayor Naugle understood the City Manager's Office was purchasing real estate without the input of the City Attorney's Office. The City Attorney explained that the City had a real estate office. Mayor Naugle wanted a list of the properties acquired without legal input. The City Attorney agreed to provide a list. He explained that the question was how to resolve certain title problems in order to create single-family residences for which the owners could obtain title insurance. He recalled that the idea was to try to get quit-claim deeds whenever possible from people who had an arguable interest in order to clear title, and that cost little to nothing. When that was not possible, it was sometimes necessary to file suit.

Commissioner Smith asked the City Attorney if he had the resources to file suit when necessary. The City Attorney replied that once it had been determined which properties were at issue, any expense would qualify under the subject funding. He recommended that the City hire someone who specialized in title work to clear these properties quickly and inexpensively. He advised that quit-claim deeds could be handled by in-house staff. Commissioner Smith asked him if he had any idea how much that might cost at the outside. The City Attorney thought it could cost over \$100,000 if there was little cooperation and complicated issues.

Mayor Naugle inquired as to the value of the properties involved. The City Attorney believed it was in the area of \$1 million. Ms. Jackson clarified that there were 2 types of acquisitions underway – commercial property, which did go through the City Attorney's Office, and residences. She believed about \$1 million had been spent on commercial property, and about \$600,000 had been spent on residential property.

Commissioner Moore was not concerned about how the property was purchased because he understood the reasons for it. He believed staff had received direction to move as quickly as possible because the acquisitions were critical in order to address all the problems in the area. Commissioner Smith thought it was important to note that the properties were purchased with federal funds. Commissioner Moore wanted staff to feel free to discuss problems with the Commission so they could be addressed quickly. He understood there would be problems in assembling property, and he was sure no one had thought it would be easy. However, he wanted to move forward because the longer a lot was vacant, the longer the CRA went without the tax increment, and the community suffered.

Commissioner Smith wanted to know about it if the CRA was paying far too much for the properties due to the legal bills and other expenses. Mayor Naugle thought that the subject of this discussion could be considered malfeasance or misfeasance. He did not think it was appropriate to buy property without title searches, and he wanted a report in this regard. Mayor Naugle thought this could also be a Charter violation. The City Attorney agreed to provide a report, but such a situation had never occurred to his knowledge. He explained that the properties purchased without title search involved the sale of tax certificates on the courthouse steps.

Commissioner Hutchinson asked how long it took to clear the titles. Ms. Outlaw replied it could take about a year. Commissioner Moore felt that even if there were issues, the matter still had to be cleaned up, and he wanted to make sure professional staff had the necessary resources to deal with the problems. Commissioner Smith wondered where the extra \$100,000 would come from, and Commissioner Moore suggested the use of TIF funds. Commissioner Smith wondered if that would detract from other projects, and Ms. Jackson replied that there was \$100,000 now that was not yet encumbered.

Mayor Naugle preferred to delay approving \$100,000 until he had a report from the City Manager, who was not present today. He suggested that action be contemplated on March 27, 2001. Mr. Witschen stated that there was little likelihood of the City incurring consultant expenses of \$75,000 in the next 30 days. He thought it might be reasonable to approve an additional \$25,000 now and consider more on March 20, 2001. It was agreed.

Motion made by Commissioner Moore and seconded by Commissioner Katz to approve an additional expenditure of \$25,000 as discussed. Roll call showed: YEAS: Commissioners Katz, Smith, Moore, Hutchinson, and Mayor Naugle. NAYS: none.

Mayor Naugle referred to the purchase of furniture. He said that when he had needed furniture in the past, he had to buy "prison furniture," so he had bought his own. Mayor Naugle wanted to ensure that this furniture was of the same standard typically used by the City. Mr. Witschen stated that whatever purchases were made, they would be handled through the usual process with the same standards.

Proposed Revisions to the CRA Plan

Mr. Witschen noted that the CRA Plan had been distributed with proposed additions underlined and proposed deletions crossed out. Mayor Naugle referred to page 51 where the call for action was discussed. He suggested that the wording be changed to indicate that the endorsement or approval was conceptual. Mayor Naugle wished to endorse the idea but not enact it at this time.

Commissioner Smith asked which portion of the South Middle River ran through the northwest district as mentioned at the top of page 2. Mayor Naugle thought that was a reference to the South Middle River neighborhood. Ms. Jackson explained that this language had been contained in the original 1995 CRA Plan. Commissioner Smith believed that was part of the hoped for expansion area, and he had been hoping something had happened of which he was unaware. Ms. Jackson advised that was not the case. Commissioner Smith felt that reference should be deleted.

Mayor Naugle referred to page 47, on which the second line indicated that the estimated cost of Sistrunk infrastructure was \$5 million. He wondered how that figure had been reached. Ms. Jackson explained that for Plan purposes, staff had to try to estimate the cost of current projects. She stated that the consultant and the Midtown Business Association had provided an estimate of \$2,000 per linear foot, and the plan involved 6 or 7 blocks. Nevertheless, it was only an estimate that could go up or down depending on many factors. Mayor Naugle understood the funding for that could involve County, City, or State funds, or some other combination of funds, and that was yet to be determined. Therefore, no commitment was being made. It was agreed.

Commissioner Smith suggested deletion of references to North Lauderdale because no one called any part of this area by that name anymore. Mayor Naugle believed that was the name of the subdivision shown on owners' tax bills. Commissioner Smith understood that, but there were also other subdivisions that were not mentioned by subdivision name. In this case, the subject was neighborhood areas, and he thought references to North Lauderdale just caused confusion. Mayor Naugle agreed and thought it was also true of references to Progresso. He suggested just calling the whole area Flagler Heights.

Ms. Jackson noted that Progresso had been replaced with Flagler Heights in the documents except when there was specific reference to the Progresso area. Mayor Naugle agreed that the term North Lauderdale was confusing because it also happened to be the name of another city. Commissioner Moore referred to page 6 where the North Lauderdale Progresso area was mentioned. Commissioner Smith stated that things had changed since that time. Commissioner Moore referred to language indicating that both a Safe Neighborhood District and a Community Redevelopment District had been created. Commissioner Smith suggested that Safe Neighborhood District be deleted. Mr. Peter Feldman advised that there had been a Safe Neighborhood District at one time, but it had a "forced expiration." It was the consensus of the Commission not to change this language, therefore.

Commissioner Smith stated that sanitary sewers were discussed from page 17 onward, but that had not yet been settled. Mayor Naugle understood Commissioner Smith wanted to hold up on that until it was done. He suggested holding up the amendments altogether until that issue was settled. Commissioner Moore believed this only discussed that sanitary sewers would be done, rather than how. Commissioner Hutchinson agreed it did not discuss how payment would be made. Commissioner Smith pointed out that the plan indicated, "It was anticipated that private developers and owners would provide the necessary upgrades to the sewer system." Mr. Witschen pointed out that the subject was only the changes to the plan, so anything that was not struck through or underlined was not at issue. However, policy issues such as the sewer system were scheduled for March 15, 2001.

Commissioner Smith noted that page 20 indicated that the storm sewer system was insufficient in Flagler Heights. He asked what plans there were to address that issue. Ms. Jackson replied that issue had arisen during various workshops about general infrastructure in the area. She explained that a whole infrastructure plan with recommended funding would have to be ultimately developed for approval. Thus, it could not be built into this Plan now, but this would not restrict forward momentum either.

Commissioner Moore asked if there was anywhere in the Plan that indicated a project would be specifically funded with tax increment funds. He pointed out that page 21 indicated that tax increment funds "may" be used for sidewalks and other features. Ms. Jackson stated that the original Plan had worded things a little differently. Mayor Naugle did not believe the Plan indicated anything "will" be funded with tax increment funds. Ms. Jackson noted that sidewalks were not considered a priority need, and overall projects had been discussed. She stated that the language could be removed or not, and the City could choose to use that funding source or not. Commissioner Moore preferred to leave it in because this was a tool everyone had fought to get for years.

Commissioner Smith suggested adding language to indicate that bonding tax increment funds ought to be a possibility. Mayor Naugle believed that ability existed. Commissioner Smith understood that, but it was not so indicated in black and white. Commissioner Moore had not seen references indicating that the tax increment funds would be bonded. Ms. Jackson believed language on page 39 opened that up upon approval of the City Commission for everything.

Commissioner Moore stated that a great deal of time and effort had gone into these projects, and the community's hopes had been raised. He wondered when the funding would be available so some of the projects could actually proceed. Commissioner Moore pointed out that this tax increment funding had been under discussion for 8 years, and he saw little movement. Commissioner Smith believed 400 units had been addressed. Commissioner Moore understood there had been some movement, but not enough when considered in the context of the effort put into the redevelopment concept.

Commissioner Moore recalled a discussion about improvements on Broward Boulevard with the Downtown Development Authority about a month ago, and work had already started. He was ready for the City to get this redevelopment going in order to increase the tax base and provide incentives for private investment. Commissioner Moore asked the CRA Advisory Board to consider some dialogue on the viability of funding at its next meeting. Mayor Naugle thought that in order to answer that question, a plan was necessary. He thought it was necessary to determine the level of increment that was available for the various projects, and then the CRA Advisory Board and the Commission could decide how to spend the money.

Commissioner Smith agreed it was necessary to first determine the bonding capacity. Mayor Naugle noted that a plan was needed, and he thought the District Commissioner could make efforts toward that end. He pointed out that nothing could be bonded until the amount of increment available was determined. Commissioner Moore believed there was already a \$1 million increment, and it was time to bond it. Mayor Naugle understood that, but needs had to be identified and prioritized first, and that required a plan.

Commissioner Moore asked the CRA Advisory Board to consider the 3 redevelopment concepts – Flagler Heights, Sistrunk, and Sweeting. He asked them to choose a plan the Board felt could be bonded and initiated. Commissioner Smith preferred to choose two, and Commissioner Moore explained he wanted to see one of the concepts initiated either through bonding or 108 funding. He wanted to see something happen soon.

Commissioner Smith believed an infrastructure project for Flagler Heights was ready to go. He felt that was a fundable project if the TIF could be bonded. Commissioner Moore agreed as long as the project would generate enough money to pay for itself. He was not sure that was the case. Commissioner Smith believed that revitalizing that area would improve the tax base. Commissioner Moore was not sure it was a good idea to provide infrastructure before any private development interest had been expressed, but he wanted something to happen soon and asked the Board to consider the issue at its next meeting.

Mayor Naugle referred to 108 loans using Community Development Block Grant funds, and those monies were used for various needs throughout the community. He was concerned about bonding that because it would preclude future Commissions from funding those kinds of projects. Therefore, a conscious decision had to be made to decide those funds, or a portion, would be used for this effort instead of the usual projects that served citizens in certain census tracts throughout the City. He acknowledged that might be a good idea, but it was a matter that should be carefully weighed.

Commissioner Smith noted that there were also other funding sources, such as self-assessment, that could be used in conjunction with bonding and other methods. Commissioner Moore was sure no one disagreed with that, but he wanted to see some projects “coming out of the ground.”

Ms. Jackson stated that the CRA Advisory Board’s March agenda included a finance plan, but the Sweeting development agreement had to be considered at the next meeting because that involved a specific dollar amount that might draw from the funds. Another issue was the boundary expansion, and a dollar amount for Midtown was to be determined at the workshop scheduled for Saturday. Ms. Jackson said that the CRA Advisory Board had been instrumental in accurately determining the costs of each project. She thought that while it seemed to be taking a long time, the Board would need the next 4 to 6 weeks to deal with those projects. Ms. Jackson noted that all the various funding sources had been discussed in the past, and she wanted to make sure that the finance plan ultimately presented to the Commission would be very accurate and targeted.

Commissioner Moore referred to page 44 with regard to the vision statement. He suggested that if there was \$1 million available annually for infrastructure, it should no longer be directed to parks and public facilities. Rather, he preferred to direct it to projects that would provide increment to deal with housing and commercial opportunities along the corridor to address infrastructure needs that would build the tax base. Commissioner Smith understood Commissioner Moore was suggesting that the statement on line 3 be deleted. Ms. Jackson said she had struck that language because everybody, including the CRA, vied for that money each year. Therefore, that \$1 million was not guaranteed and could not be leveraged because it was part of the CDBG entitlement each year.

Ms. Outlaw recalled that there had been a risk of losing federal dollars a couple of years ago because the monies were not being spent in a timely fashion. Therefore, certain policy decisions had been made, and one of them had been to keep the CRA funded in the amount of \$1 million. Accordingly, whatever had been spent was replenished in the following year. She noted that the CRA was receiving about \$1 million per year between CDBG and HOME funding.

Commissioner Moore wondered what process was involved in obtaining a million dollars for infrastructure improvements when a developer was considering a project that required such improvements. He asked if the use of the money had to be approved a year in advance. Ms. Outlaw replied that was correct. Commissioner Moore said that was another reason why the 108 loans made sense to ensure the proper infrastructure to allow private development to move forward.

Mayor Naugle explained he was just saying it was necessary to look at the whole picture because CDBG funds could benefit the whole community and not just the CRA. He felt that source might be appropriate, but there were competing needs. Commissioner Smith thought that if a potential developer needed certain infrastructure improvements to move forward, the City could commit to the TIF that would generate to build those improvements. Mayor Naugle thought that was something of a "chicken and egg" situation. Ms. Outlaw said that as the 108 loans were discussed, it should be remembered that a 108 loan was not automatic and was contingent upon how well existing funds were being spent. She advised that the City had just met compliance with the spending requirements just last year for the first time in years.

Mayor Naugle said the City had gone through a period in which hundreds of thousands of dollars had been lost in interest because it was owed money that had not even been requested. He believed the current City Manager had turned that around. Ms. Outlaw said she could present a financing plan in sufficient time for consideration of priorities. Ms. Witschen noted this was a policy statement of the CRA based on the Commission's allocation of CDBG funds each year.

Commissioner Moore referred to line 14 on page 45 with respect to the need for parking. He believed there were sufficient funds to assemble some property in the midtown area for parking. Commissioner Moore pointed out that this need for parking was forcing developers to use resources that could be better used, and he thought it made more sense to provide parking. Ms. Jackson stated that the TIF available now was sufficient for one of the parking projects. She explained that a parcel-by-parcel analysis of the properties was necessary in order to determine how best to spend the money, and that process would be started at the Saturday workshop.

Mayor Naugle reiterated his feeling that needs and funding sources had to be identified in order to avoid doing things on a piecemeal basis. Commissioner Moore noted that the desire was to assemble adequate parking around all three parcels in which developers were interested. He explained that the banks were concerned because there was inadequate parking. Mayor Naugle believed Commissioner Moore was talking about CRA funds, but parking could be provided through other sources like the Parking Fund just as it was used to provide parking all over the City. Commissioner Moore had no problem with that idea.

Commissioner Moore understood work with Kimley-Horn would begin on Saturday, and the area would be studied parcel-by-parcel to determine an appropriate acquisition plan. Ms. Jackson stated that the study had already been started, and Kimley-Horn would present the analysis thus far on Saturday. She estimated the study was about two-thirds completed.

Ms. Jackson referred to line 20 on page 40. It referred to the CRA having certain authority, but that should be changed to indicate the City Commission had the subject authority. It was agreed. Mayor Naugle believed there were some other minor errors, and Ms. Jackson advised staff would read through the document again to ensure any errors were caught.

Motion made by Commissioner Smith and seconded by Commissioner Hutchinson to approve the proposed revisions to the 1995 Northwest-Progresso-Flagler Heights Area Community Redevelopment Plan as discussed. Roll call showed: YEAS: Commissioner Katz, Smith, Moore, Hutchinson, and Mayor Naugle. NAYS: none.

At 5:55 P.M., Commissioner Moore left the meeting. He returned at 5:56 P.M.

CRA Project Status Report

Mr. Brown stated that a plan would be presented at the workshop on Saturday for the Commission's consideration. He noted that a detailed set of schedules had been provided on this specific project, and there were some issues the Board felt could be better addressed. Mr. Brown explained that the City was trying to use the tools of the CRA, but not the talents. He did not think that would achieve the goal.

Mr. Brown referred to the lot purchase program. He stated that it had stopped last summer, and the Board had spent about 3 hours a few days ago working on financing, etc., only to discover that fact. Commissioner Moore understood Mr. Brown to be indicating that no lots were being purchased any longer. Mr. Brown replied that no lots had been purchased since last summer.

Ms. Outlaw explained that the purchase of lots had not stopped last summer. She stated that the Real Estate Officer had stopped making any new contacts in November on lots because there had been purchases in various stages that had to be addressed first. In addition, the quiet title action was ongoing as discussed earlier.

Mr. Brown felt it was a question of accountability because it was his understanding that when this had been discussed 9 months ago, resources had been targeted to get this job done. However, that did not appear to be the case. He recalled that the Commission had authorized resources to hire people to handle the real estate transactions so the lots could get into circulation. Mr. Bud Bentley, Assistant City Manager, could not address this issue at this time, but he would discuss it with Mr. Johnson and Mr. Witschen.

Commissioner Moore asked if the additional \$25,000 approved today would provide a remedy. Mr. Brown did not believe so. He stated that there were some 50 lots still pending clear title. Mayor Naugle noted that the City had guidelines and Charter requirements related to property acquisition, and this was a potentially serious issue. Mr. Brown advised that the program to move lots to non-profits had also been stopped, along with the model home program apparently because resources had been diverted.

Ms. Outlaw explained that Mr. Brown's comments were specifically geared toward the Housing Division, which handled lot acquisition. She stated that there was a CRA initiative being implemented by another division that also had to deal with various programs and activities. Ms. Outlaw stated that the Housing Division had a real estate officer to handle lot acquisitions throughout the City, but the CRA had not had staff for that at that time. She acknowledged that she had not been able to assign someone to the CRA effort 100% of the time, but she had assigned the highest level of staff possible. Ms. Outlaw also acknowledged that moving lots to non-profits had taken a lower priority because addressing the lots within the CRA was a priority of the City Commission.

Commissioner Moore wondered why professional staff had not been hired. Mr. Brown had understood it was being done. Ms. Jackson believed the Commission had voted on those resources in 1999 but, in this case, the implementation had fallen to another department just as Code enforcement issues, for example, were handled by the Community Inspections Bureau. Commissioner Smith felt these were internal problems that staff could present to the City Commission, if necessary, and they could help craft a solution. However, he did not feel it was acceptable for an initiative to start falling apart.

Commissioner Katz believed resources were being taken away, and two departments were being created where one department would be sufficient. Commissioner Moore said that if the money was available, the staff should be provided. He did not want to lose momentum. Commissioner Hutchinson agreed. Commissioner Katz believed this was the first time the Commission had heard there was a staffing problem. Mr. Brown did not agree that the CRA had enough money to hire the necessary staff to do all these things. It was his understanding that certain resources would be shared instead.

Commissioner Moore agreed the Commission needed to know if there was a shortage of resources to meet the goals. He did not, for example, want to see community development projects put on hold because they were as important as the CRA projects, and outside help could be arranged. Mayor Naugle was not sure it was a good idea to spend any more money until there was someone managing the existing projects.

The City Manager arrived at the meeting, and Mayor Naugle summarized that the Commission had learned today that 50 parcels had been purchased without input from legal staff, and now there were title problems. The City Manager said he had been tied up today on another pressing matter and, while he was familiar with the fact that staff had not been able to move as expeditiously as he would like on disposal of all the properties, nothing had been deliberately slowed down. He stated that there were multiple reasons for the title problems, and staff had obtained quotes for out-sourcing some of the work.

Commissioner Smith explained that it appeared a lot of the initiatives were falling apart and behind schedule. The Advisory Board was very frustrated about it, and the Commission had not been aware of it until today. He felt a plan to address this issue was necessary. The City Manager did not believe anything was "falling apart." He explained that one of his continuing concerns as the City Manager was the problem of competing interests. The City Manager stated that there were about 10 "no. 1" priorities.

At 6:15 P.M., Commissioner Hutchinson left the meeting.

The City Manager thought considerable progress had been made, although it appeared staff had been unable to keep that up to the satisfaction of the Advisory Board and the Commission. He said he would have to come back to the Commission with some resolution or a recommendation to reset priorities. The City Manager said he was equally frustrated because it seemed everyone wanted all the resources all the time to do everything all at once.

Mayor Naugle said the problem he had was that recommendations were presented and decisions made. Money had been made available and staff had been directed to go forward. However, it appeared that the policies set by the City Commission had ceased to be implemented without disclosure.

At 6:17 P.M., Commissioner Hutchinson returned to the meeting.

Mayor Naugle recalled that the Commission had authorized outside help to deal with the real estate transactions, but apparently those efforts had ceased. If that were the case, there should have been some disclosure before many months had passed. Mayor Naugle compared this situation to the situation with the roller hockey facilities promised to the public. He stated that funds had apparently run out, but that disclosure had not been made to the Commission. Mayor Naugle felt the primary problem was the Commission finding out about these things months later.

Mr. Brown stated that the CRA was woefully under-staffed for the projects it had taken on, with only 2 staff people. Nevertheless, a financing plan would be presented. However, the CRA Board had received the message that whenever there were competing needs, other needs were addressed ahead of the CRA needs.

Commissioner Moore believed the budget contained monies for CRA staff. Ms. Jackson stated that there were currently 2 positions that were funded but vacant. She felt one thing that had to be considered was that the CRA had the flexibility, power and ability to assist in some cases. However, she did not think the CRA should necessarily implement or initiate everything or it would end up assuming responsibilities of other departments. Mayor Naugle felt these were management issues, but the Commission set the policies.

Commissioner Smith wondered why the two positions had not been filled. Ms. Jackson replied that she had been in the process of hiring one project manager, and then Mr. Wojcik had advised he was leaving. She advised that she would have to change the advertisement in order to recoup some of the skills that would be lost upon his departure. Mr. Brown felt that if the CRA were staffed correctly, it would work. Commissioner Moore asked when the vacant positions would be filled. Ms. Jackson explained that she had been seeking help for some 10 months, but this was a very specialized field in a tight market involving diverse projects.

Commissioner Smith thought the City Manager should provide a comprehensive report on all the projects and problems in order to get things back on track. The City Manager said he could provide a report within the next two weeks.

There being no further business before the Board of Commissioners, the meeting was adjourned at 6:25 P.M.